

4053. WORKSHEET J-1 - ALLOCATION OF GENERAL SERVICE COSTS TO COMMUNITY MENTAL HEALTH CENTERS

Use this worksheet only if you operate as part of your complex a certified hospital-based community mental health center (CMHC) furnishing services to Medicare titles XVIII, title XIX, and V. Additionally, while comprehensive outpatient rehabilitation facilities (CORFs), outpatient rehabilitation facilities (ORFs) which generally furnish outpatient physical therapy (OPT), outpatient occupational therapy (OOT), or outpatient speech pathology (OSP) services, do not complete the J series worksheets they must complete the applicable Worksheet A cost center for the purpose of overhead allocation. Only those cost centers that represent services for which the facility is certified are used. If you have more than one hospital-based CMHC, complete a separate worksheet for each facility.

4053.1 Part I - Allocation of General Service Costs to Community Mental Health Center Cost Centers.--Worksheet J-1, Part I, provides for the allocation of the expenses of each general service cost center to those cost centers which receive the services. Obtain the total direct expenses (column 0, line 22) from Worksheet A, column 7, lines as appropriate:

<u>Component</u>	<u>From Worksheet A, Column 7</u>
CMHC	line 99 and subscripts

Obtain the cost center allocations (column 0, lines 1 through 21) from your records, the sum of which must equal the amount entered on column 0, line 22. The amounts on line 22, columns 0 through 23 and column 25 must equal the corresponding amounts on Worksheet B, Part I, columns 0 through 23 and column 25, lines as appropriate:

<u>Component</u>	<u>Worksheet B, Part I, Columns 0 through 23 and 25</u>
CMHC	line 99 and subscripts

Complete the amounts entered on lines 1 through 21, columns 1 through 23 and column 25 in accordance with the instructions contained in §4053.2.

NOTE: Worksheet B, Part I, established the method used to reimburse direct graduate medical education cost (i.e., reasonable cost or the per resident amount). Therefore, this worksheet must follow that method. If Worksheet B, Part I, column 25, excluded the costs of interns and residents, column 25 on this worksheet must also exclude these costs.

In column 24, Part I, enter the total of columns 4A through 23.

In column 27, Part I, enter the unit cost multiplier (column 26, line 1 divided by the sum of column 26, line 22 minus column 26, line 1) on line 23. Round the unit cost multiplier to six decimal places. Multiply each amount in column 26, lines 2 through 21, by the unit cost multiplier on line 23, and enter the result on the corresponding line of column 27. On line 22, enter the total of the amounts on lines 2 through 21. The total on line 22 equals the amount in column 26, line 1.

In column 28, Part I, enter on lines 2 through 21 the sum of columns 26 and 27. The total on line 22 equals the total in column 26, line 22.

4053.2 Part II - Allocation of General Service Costs to Community Mental Health Center Cost Centers - Statistical Basis.--Worksheet J-1, Part II, provides for the proration of the statistical data needed to equitably allocate the expenses of the hospital's general service cost centers on Worksheet J-1, Part I. If there is a difference between the total accumulated costs reported on the Part II statistics and the total accumulated costs calculated on Part I, use the reconciliation column on Part II for reporting any

adjustments. See §4020 for the appropriate usage of the reconciliation columns. For subscribed (componentized) A&G cost centers, the accumulated cost center line must match the reconciliation column number.

To facilitate the allocation process, the general format of Worksheet J-1, Parts I and II, is identical. The statistical basis shown at the top of each column on Worksheet J-1, Part II, is the recommended basis of allocation of the cost center indicated and must be consistent with the statistical basis utilized on Worksheet B, Part I.

Lines 1 through 21--On Worksheet J-1, Part II, for all cost centers to which the general service cost center is being allocated, enter that portion of the total statistical base applicable to each.

Line 22--Enter the total of lines 1 through 21 for each column. The total in each column must be the same as shown for the corresponding column on Worksheet B-1, lines as appropriate:

<u>Component</u>	<u>Worksheet B-1, Corresponding Column</u>
CMHC	line 99

Line 23--Enter the total expenses for the cost center allocated. Obtain this amount from Worksheet B, Part I, lines as appropriate (see §4020), from the same column used to enter the statistical base on Worksheet J-1, Part II (e.g., for a CMHC provider, in the case of capital-related cost buildings and fixtures, this amount is on Worksheet B, Part I, column 1, line 99).

Line 24--Enter the unit cost multiplier which is obtained by dividing the cost entered on line 23 by the total statistic entered in the same column on line 22. Round the unit cost multiplier to six decimal places.

Multiply the unit cost multiplier by that portion of the total statistic applicable to each cost center receiving the services. Enter the result of each computation on Worksheet J-1, Part I, in the corresponding column and line.

After the unit cost multiplier has been applied to all the cost centers receiving the services, the total cost (line 22, Part I) must equal the total cost on line 23, Part II.

Perform the preceding procedures for each general service cost center.

4054. WORKSHEET J-2 - COMPUTATION OF COMMUNITY MENTAL HEALTH CENTER PROVIDER COSTS

Use this worksheet only if you operate a hospital-based CMHC. If you have more than one hospital-based CMHC, complete a separate worksheet for each facility.

4054.1 Part I - Apportionment of CMHC Cost Centers.

Column 1--Enter on each line the total cost for the cost center as previously computed on Worksheet J-1, Part I, column 28. To facilitate the apportionment process, the line numbers are the same on both worksheets. Do not transfer lines 19 and 20 from Worksheet J-1.

Column 2--Enter the charges for each cost center. Obtain the charges from your records.

Column 3--For each cost center, enter the ratio derived by dividing the cost in column 1 by the charges in column 2.

Columns 4, 6, and 8-- For each cost center, enter the charges from your records for title V in column 4 and title XIX in column 8. Enter 0 (zero) for each line in column 6 for title XVIII charges as CMHCs are reimbursed under OPPS. Not all facilities are eligible to participate in all programs.

Columns 5, 7, and 9--For each cost center, enter the costs obtained by multiplying the charges in columns 4, 6, and 8, by the ratio in column 3.

Line 20--Enter the totals of lines 1 through 19 in columns 1, 2, and 4 through 9.

4054.2 Part II - Apportionment of Cost of CMHC Services Furnished by Shared Hospital Departments.--Use this part only when the hospital complex maintains a separate department for any of the cost centers listed on this worksheet, and the department provides services to patients of the hospital's CMHC.

Column 3--For each of the cost centers listed, enter the ratio of cost to charges that is shown on Worksheet C, Part I, column 9 from the appropriate line for each cost center.

Columns 4, 6, and 8--For each cost center, enter the charges from your records for title V in column 4 and title XIX in column 8. Enter 0 (zero) for each line in column 6 for title XVIII charges as CMHCs are reimbursed under OPPS.

Columns 5, 7, and 9--For each cost center, enter the costs obtained by multiplying the charges in columns 4, 6, and 8, respectively, by the ratio in column 3.

Line 28--Enter the totals for columns 4 through 9.

Line 29--Enter the total costs from Part I, columns 5, 7, and 9, line 20 plus columns 5, 7, and 9, line 28 respectively and transfer to Worksheet J-3, line 1.

4055. WORKSHEET J-3 - CALCULATION OF REIMBURSEMENT SETTLEMENT – COMMUNITY MENTAL HEALTH CENTER PROVIDER SERVICES

Submit a separate Worksheet J-3 for each title (V, XVIII, or XIX) under which reimbursement is claimed. If you have more than one hospital-based CMHC, complete a separate worksheet for each facility.

Line 1--Enter the cost of the component's services from Worksheet J-2, Part II, line 29 from columns 5, 7, or 9, as applicable (column 5 for title V, column 7 for title XVIII (enter 0 (zero)), and column 9 for title XIX).

Line 2--Enter the gross PPS payments received for services rendered during the cost reporting period excluding outliers. Obtain this amount from the PS&R and/or your records.

Line 3--Enter the total outliers payments received. Obtain this amount from the PS&R and/or your records.

Line 4--Enter the amounts paid and payable by workmens' compensation and other primary payers where program liability is secondary to that of the primary payer (from your records).

Line 5--Title XVIII CMHCs enter the result obtained by subtracting line 4 from the sum of lines 2 and 3. Titles V and XIX providers not reimbursed under PPS enter the total reasonable costs by subtracting line 4 from line 1.

Line 6--Enter the charges for the applicable program services from Worksheet J-2, sum of Parts I and II, Columns 4, 6, and 8 as appropriate, lines 20 and 28.

Lines 7 through 10--These lines provide for the reduction of program charges where the provider does not actually impose charges on most of the patients liable for payment for services on a charge basis or fails to make reasonable efforts to collect such charges from those patients. If line 9 is greater than zero, enter on line 10 the product of multiplying the ratio on line 9 by line 6.

Providers that do impose charges and make reasonable efforts to collect the charges from patients liable for payment for services on a charge basis are not required to complete lines 7, 8, and 9, but enter on line 10 the amount from line 6. (See 42 CFR 413.13(e).) In no instance may the customary charges on line 10 exceed the actual charges on line 6.

Do not include on these lines (1) the portion of charges applicable to the excess costs of luxury items or services (see CMS Pub. 15-1, §2104.3) and (2) provider charges to beneficiaries for excess costs as described in CMS Pub. 15-1, §2570. When provider operating costs include amounts that flow from the provision of luxury items or services, such amounts are not allowable in computing reimbursable costs.

Lines 11 and 12--Lines 11 and 12 provide for the computation of the lesser of reasonable cost or customary charges as defined in 42 CFR 413.13(a).

Enter on line 11 the excess of total customary charges (line 10) over the total reasonable cost (line 5). In situations where the total charges on line 10 are less than the total cost on line 5, enter zero (0) on line 11.

Enter on line 12 the excess of total reasonable cost (line 5) over total customary charges (line 10). In situations when in any column the total cost on line 5 is less than the customary charges on line 10, enter zero (0) on line 12.

NOTE: CMHCs not subject to reasonable cost reimbursement do not complete lines 11 and 12.

Line 13--Enter the total reasonable costs from line 5.

Line 14--Enter the Part B deductibles billed to program patients (from your records) excluding coinsurance amounts.

Line 16--If there is an excess of reasonable cost over customary charges, enter the amount from line 12.

Line 18--CMHCs enter 0 (zero) as these services are reimbursed under OPPS. For titles V and XIX, enter 100 percent less the applicable coinsurance.

Line 19--Enter the actual coinsurance billed to program patients (from your records).

Line 20--For title XVIII, enter the difference of line 17 minus line 19. For titles V and XIX, enter the difference of line 18 minus line 19.

Line 21--Enter allowable bad debts, net of recoveries, applicable to any deductibles and coinsurance (from your records). If recoveries exceed the current year's bad debts, line 21 will be negative.

Line 22--Enter the result of line 21 (including negative amounts) times 88 percent for cost reporting periods beginning on or after October 1, 2012, 76 percent for cost reporting periods beginning on or after October 1, 2013, and 65 percent for cost reporting periods beginning on or after October 1, 2014.

Line 23--Enter the gross allowable bad debts for dual eligible beneficiaries. This amount is reported for statistical purposes only. This amount must also be reported on line 21.

Line 24--Enter the result of line 20 plus line 21. For cost reporting periods beginning on or after October 1, 2012, enter the result of line 20 plus line 22.

Line 25--Enter any other adjustment. For example, if you change the recording of vacation pay from the cash basis to the accrual basis (see CMS Pub. 15-1 chapter 21, §2146.4), enter the adjustment. Specify the adjustment in the space provided.

Line 26--Enter the result of line 24 plus or minus line 25.

Line 26.01--For cost reporting periods that overlap or begin on or after April 1, 2013, enter the sequestration adjustment amount as follows: [(2 percent times (total days in the cost reporting period that occur during the sequestration period beginning on or after April 1, 2013, divided by total days in the entire cost reporting period, rounded to four decimal places)) times line 26].

Line 27--Enter the total interim payments applicable to this cost reporting period. For title XVIII, transfer this amount from Worksheet J-4, column 2, line 4.

Line 28--For contractor final settlement, report on this line the amount from Worksheet J-4, line 5.99.

Line 29--Enter the balance due provider/program (line 26 minus lines 26.01, 27 and 28), and transfer this amount to Worksheet S, Part III, columns as appropriate, lines as appropriate.

Line 30--Enter the program reimbursement effect of nonallowable cost report items which you are disputing. Compute the reimbursement effect in accordance with CMS Pub. 15-2, chapter 1, §115.2. Attach a schedule showing the supporting details and computation.

4056. WORKSHEET J-4 - ANALYSIS OF PAYMENTS TO HOSPITAL-BASED COMMUNITY MENTAL HEALTH CENTER FOR SERVICES RENDERED TO PROGRAM BENEFICIARIES

Complete this worksheet for Medicare interim payments only. If you have more than one hospital-based CMHC, complete a separate worksheet for each facility.

Complete the identifying information on lines 1 through 4. The remainder of the worksheet is completed by your contractor.

Line Descriptions

Line 1--Enter the total program interim payments paid to the CMHC. The amount entered reflects the sum of all interim payments paid on individual bills (net of adjustment bills) for services rendered in this cost reporting period. The amount entered includes amounts withheld from the component's interim payments due to an offset against overpayments to the component applicable to prior cost reporting periods. It does not include any retroactive lump sum adjustment amounts based on a subsequent revision of the interim rate, or tentative or net settlement amounts, nor does it include interim payments payable.

Line 2--Enter the total program interim payments payable on individual bills. Since the cost in the cost report is on an accrual basis, this line represents the amount of services rendered in the cost reporting period, but not paid as of the end of the cost reporting period. It does not include payments reported on line 1.

Line 3--Enter the amount of each retroactive lump sum adjustment and the applicable date.

Line 4--Transfer the total interim payments to the title XVIII Worksheet J-3, line 27.

DO NOT COMPLETE THE REMAINDER OF WORKSHEET J-4. LINES 5 THROUGH 7 ARE FOR CONTRACTOR USE ONLY. ***(EXCEPTION: IF WORKSHEET S, PART I, LINE 5 IS "5" (AMENDED COST REPORT), THE PROVIDER MAY COMPLETE THIS SECTION.)***

Line 5--List separately each tentative settlement payment after desk review together with the date of payment. If the cost report is reopened after the NPR has been issued, report all settlement payments prior to the current reopening settlement on line 5.

Line 6--Enter the net settlement amount (balance due to the provider or balance due to the program) for the NPR, or, if this settlement is after a reopening of the NPR, for this reopening.

NOTE: On lines 3, 5, and 6, when an amount is due from the provider to the program, show the amount and date on which the provider agrees to the amount of repayment, even though total repayment is not accomplished until a later date.

Line 7--Enter the sum of the amounts on lines 4, 5.99, and 6 in column 2. The amount in column 2 must equal the amount on Worksheet J-3, line 26.

Line 8--Enter the contractor name, the contractor number and NPR date in columns 0, 1 and 2, respectively.